



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

PIEDMONT REGIONAL OFFICE

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L. Preston Bryant, Jr.
Secretary of Natural Resources

David K. Paylor
Director

STATE WATER CONTROL BOARD ENFORCEMENT ACTION - SPECIAL ORDER BY CONSENT ISSUED TO STANDEX ENGRAVING L.L.C. REGISTRATION NO. VAR051142 GENERAL VPDES PERMIT FOR DISCHARGES OF STORMWATER ASSOCIATED WITH INDUSTRIAL ACTIVITIES

SECTION A: Purpose

This is a Consent Special Order issued under the authority of Va. Code §§ 62.1-44.15(8a), between the State Water Control Board and Standex Engraving L.L.C., for the purpose of resolving stormwater permit benchmark exceedance issues at the Site.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Water Control Board, a permanent citizen's board of the Commonwealth of Virginia as described in Va. Code §§ 62.1-44.7 and 10.1-1184.
2. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.
3. "Director" means the Director of the Department of Environmental Quality.
4. "DMR" means Discharge Monitoring Report.

5. "Facility" or "Site" means Standex's place of operations, located at 5901 Lewis Road in Sandston, Henrico County, Virginia.
6. "Order" means this document, also known as a "Special Order by Consent" or a "Consent Special Order."
7. "Permit" means the General VPDES Permit for Discharges of Storm Water Associated with Industrial Activity Number VAR 05 as described in 9 VAC 25-151-70. The Permit became effective on July 1, 2004 and expires on June 30, 2009.
8. "Regulation" means the VPDES Permit Regulation at 9 VAC 25-31-10, et seq.
9. "SIC Code" means Standard Industrial Code.
10. "Standex" means Standex Engraving L.L.C., a limited liability company registered and authorized to do business in Virginia, and its affiliates, partners, subsidiaries and parents.
11. "State water(s)" means a body (or bodies) of water, on the surface and under the ground, wholly or partially within or bordering the Commonwealth or within its jurisdiction, including wetlands.
12. "PRO" means the Piedmont Regional Office of DEQ located in Glen Allen, Virginia.
13. "Va. Code" means the Code of Virginia (1950), as amended.
14. "Vantec" means Vantec, Inc., a corporation registered and authorized to do business in Virginia, and its affiliates, partners, subsidiaries and parents.
15. "VAC" means Virginia Administrative Code.
16. "VPDES" means Virginia Pollutant Discharge Elimination System.

SECTION C: Findings of Fact and Conclusions of Law

1. Standex currently owns the Site and has operated a rotogravure plating and engraving operation at the Site since June 24, 2003. Until May 8, 2009, the Site was owned by Vantec, which, prior to June 24, 2003 conducted rotogravure plating and engraving operations at the Site.
2. Standex discharges stormwater associated with industrial activity (SIC Codes 3471, 3479 and 3569) to an unnamed tributary to White Oak Swamp Creek, which is a State water. Va. Code §62.1-44.5.A prohibits such discharges, except when authorized by and in compliance with a certificate issued by the Board. Va. Code § 62.1-44.15(5a) states that a VPDES permit is a "certificate" under the statute. Standex's registration statement for the Permit was accepted by the Director on October 6, 2004. According to Va. Code §62.1-

44.5.A and 9 VAC 25-151-70, Standex must comply with the conditions of the Permit in order to discharge its stormwater to State waters, and Standex is subject to the Regulation.

3. On July 11, 2007, DEQ staff conducted an inspection to determine Standex's compliance with the Permit, State Water Control Law, and the Regulation. The inspection and a subsequent file review revealed that the discharge samples taken during the 2004-05, 2005-06, and 2006-07 monitoring periods exceeded the benchmarks for all of the parameters in the Permit (Zinc, Aluminum, and Iron). Exceedences of benchmarks are not violations of the Permit, but may signal a need to review a regulated party's Stormwater Pollution Prevention Plan.
4. Standex claimed that subsurface groundwater contamination from previous operator(s) at the Site might be contributing to the benchmark exceedences.
5. Vantec, the previous owner and one of the previous operators of the Site, addressed historic groundwater and soil impacts through participation in the DEQ Voluntary Remediation Program.
6. During September and October 2008, Standex representatives conducted a field study with associated sampling to determine potential sources of stormwater contamination at the Site. Several potential sources of contamination were identified, including contaminated groundwater seeping into stormwater conveyance lines and mixing with stormwater, contaminated near surface soils/sediments, and aged roofing and gutter material. Standex has agreed to address the exceedences of Permit benchmarks by performing the actions necessary to control stormwater contamination from these potential sources, by conducting additional monitoring to gauge the success of those actions, and by completing such further actions as may be necessary to successfully control any additional sources of stormwater contamination subject to the conditions set forth herein.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 62.1-44.15(8a), the Board orders Standex, and Standex agrees to perform the actions described in Appendix A of this Order. In addition, Standex agrees that it shall perform the actions described herein and comply with the provisions of the Permit, the State Water Control Law and the Regulation. Although a Certification of Satisfactory Completion of Remediation (Certificate) was issued to Vantec on April 20, 2009 through their participation in the Voluntary Remediation Program, the immunity provided by said Certificate shall not apply to actions deemed necessary to address storm water discharge from the facility and maintain compliance with the Permit, the State Water Control Law, or the Regulation.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend the Order with the consent of Standex, for good cause shown by Standex, or on its own motion after notice and opportunity to be heard.
2. This Order only addresses and resolves those violations specifically identified herein, including those matters addressed in Section C, above. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the Property as may be authorized by law; or (3) taking subsequent action to enforce the Order. This Order shall not preclude appropriate enforcement actions by other federal, state, or local regulatory authorities for matters not addressed herein.
3. For purposes of this Order and subsequent actions with respect to this Order only, Standex admits to the jurisdictional allegations, and agrees not to contest, but does not admit, the findings of fact and conclusions of law in this Order.
4. Standex consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
5. Standex declares it has received fair and due process under the Administrative Process Act, Va. Code §§ 2.2-4000 *et seq.*, and the State Water Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to enforce this Order.
6. Failure by Standex to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Standex shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Standex shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Standex shall notify the DEQ Regional Director in writing when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:

- a. the reasons for the delay or noncompliance;
- b. the projected duration of any such delay or noncompliance;
- c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
- d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days of learning of any condition above, which intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.
10. This Order shall become effective upon execution by both the Director or his designee and the Standex. Notwithstanding the foregoing, Standex agrees to be bound by any compliance date which precedes the effective date of this Order.
11. This Order shall continue in effect until the Director or Board terminates the Order in his or its sole discretion upon 30 days written notice to Standex. Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Standex from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.
12. By its signature below, Standex voluntarily agrees to the issuance of this Order.

And it is so ORDERED this _____ day of _____, 2009.

Richard F. Weeks, Regional Director
Department of Environmental Quality

Standex Engraving L.L.C. voluntarily agrees to the issuance of this Order.

By: 

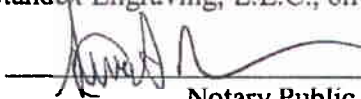
Date: June 29, 2009

State of New Hampshire, City/County of Rockingham

The foregoing document was signed and acknowledged before me this 29th day of

June, 2009, by Deborah A. Posin, who is
(name)

Manager
(title) of Standex Engraving, L.L.C., on behalf of the company.



Notary Public

Steven G. Brown
NOTARY PUBLIC
New Hampshire

My commission expires:

My Commission Expires 8/13/2013

APPENDIX A SCHEDULE OF COMPLIANCE

1. Standex shall respond to any requests for additional information or revisions from DEQ, with respect to the sufficiency of the Registration Statement submitted to reapply for coverage under the Industrial Storm Water VPDES General Permit (VAR05), in accordance with the terms of each notice.
2. A letter from Joyce Engineering to Standex dated October 30, 2008, which references JEI Project No. 771.00/Task No. 06/File No. 4.1 ("JEI Letter") identified a number of possible sources of the contamination to storm water causing the exceedances of the benchmark parameters. The JEI Letter proposed phases of proposed work identified as Phases I and II therein. Standex commenced aspects of the recommended work in October, 2008 and has further refined the sequencing of the work comprising the Phase I and Phase II activities proposed in the JEI Letter.
3. No later than July 17, 2009, Standex shall complete the Phase I activities including, at minimum, the following:
 - a. Removal of accumulated sediment from within the storm water conveyance system;
 - b. Addition of a caustic to the soil to increase pH of soil under newly paved areas;
 - c. Paving areas located at the old engraving building and central courtyard as depicted on the attached figure 1;
 - d. Removal of accumulated sediments from the surface of existing paved areas;
 - e. Installation of a synthetic inner liner within the fractured concrete sections of the subsurface storm water conveyance system;
 - f. Rebuild drop inlet at Outfall 3; and
 - g. Replacement of corroded and rusted roof drain material with non-metallic materials and correction of obstruction in secondary roof overhang drain where RD-5 sample was collected.
4. No later than July 17, 2009, Standex shall submit a Phase I stormwater sampling plan and schedule to DEQ to evaluate the efficacy of the Phase I activities. The stormwater sampling plan, shall, at minimum, describe sample locations, methods, and a schedule that are consistent with Item 12, below. Standex shall respond to any requests for additional information or revisions from DEQ, with respect to the sufficiency of the plan and schedule, in accordance with the terms of each notice.
5. Standex shall collect stormwater samples beginning during the first appropriate storm event (see Item 9, below) after the Phase I sampling plan is approved by DEQ. These Phase I samples shall be collected in accordance with Item 9, below, and in the locations identified in the Phase I sampling plan developed in accordance with Item 4, above. Each sample shall be analyzed for the parameters specified in Appendix B, Item 1 of this Order.

6. If, during at least 12 consecutive sampling events, there are no exceedances of any benchmark (as defined in Appendix B, Item 2) at any sample location, no additional remedial activities relating to stormwater contamination are necessary.
7. If any one Phase I sample exceeds any of the benchmarks defined in Appendix B, Item 2 of this Order, Standex must complete the following:
 - a. No later than 30 days after learning of a benchmark exceedance, Standex shall submit a Supplemental Plan to DEQ to address the parameters for which the exceedance was detected to DEQ. The Supplemental Plan shall include a proposed schedule, work plan, and sampling plan for commencing, completing, and monitoring supplemental activities from the following list or other activities as Standex proposes or DEQ requires:
 1. Evaluate and propose best management practices to reduce or eliminate contact of stormwater with equipment, materials or processes as may be appropriate to respond to exceedances of benchmark parameters in Phase I sampling; and
 2. Evaluate and propose changes to roof run off as may be appropriate to respond to exceedances of benchmark parameters in Phase I sampling.
 - b. Standex shall respond to any requests for additional information or revisions from DEQ, with respect to the sufficiency of the Supplemental Plan, in accordance with the terms of each notice. Upon DEQ approval, the Supplemental Plan shall be implemented in accordance with the schedule therein, unless otherwise authorized in advance by DEQ, and provided that Standex shall have not less than thirty (30) days after approval by DEQ to meet any deadline. The Supplemental Plan shall become a part of and enforceable under the terms of this Order.
 - c. Standex shall provide a report to DEQ on the supplemental plan investigations / activities within 30 days of completion.
 - d. Supplemental Plan stormwater sampling shall be conducted in accordance with the Phase I sampling plan and schedule required by Item 4, above, and the methods outlined in Item 9, below, unless otherwise authorized by DEQ. Sampling shall monitor for the benchmark parameters that were exceeded, as well as those parameters that could be affected by Supplemental Plan activities.
8. If a Supplemental Plan sample exceeds any of the benchmarks defined in Appendix B, Item 2 of this Order, Standex shall repeat the steps set forth in Item 7 and shall continue following the requirements of Item 7 until such time as a) Standex has satisfied the Item 4 requirement for 12 consecutive sampling events meeting each benchmark parameter

contained in Appendix B OR b) Standex elects or DEQ directs Standex to submit a VPDES Individual Permit application in accordance with Items 12 or 13, below.

9. All stormwater samples (except snowmelt samples) shall be collected from the discharge resulting from a storm event that results in actual discharge from the site ("measurable storm event"), provided the interval from the preceding measurable storm event is at least 72 hours. The 72-hour storm interval is waived if Standex is able to document that less than a 72-hour interval is representative for local storm events during the sampling period. In the case of snowmelt, the monitoring must be performed at a time when a measurable discharge occurs at the site. Monitoring shall be accomplished by grab samples collected within the first 30 minutes of discharge. If it is not practical to take the sample within the first 30 minutes, the sample may be taken during the first hour of discharge provided Standex explains why a grab sample during the first 30 minutes was impracticable and submits the explanation with the sample results in the next quarterly update. Samples must be taken no more frequently than once per month. Along with storm water discharge monitoring (except snowmelt monitoring), Standex shall document and provide the date and duration (in hours) of the storm event(s) sampled; rainfall total (in inches) of the storm event that generated the sampled runoff; the duration between the storm event sampled and the end of the previous measurable storm event; and an estimate of the total volume (in gallons) of the discharge sampled. Data for all sampling events in a quarter shall be submitted to DEQ in the next quarterly update, in accordance with the provisions of Item 10 below. Standex shall submit an analysis and discussion of the relevance of all data, with respect to question of the adequacy of actions taken by Standex to control stormwater pollution, with the final quarterly data submittal.
10. Standex shall submit written quarterly updates to DEQ regarding implementation of the remedial activities associated with all phases, as applicable during that quarter. Quarterly updates shall be due the 10th day of the month following the close of each quarter and shall include a statement of work performed, representative photographs of work performed, analytical data for all discharge samples and rainfall data collected during that quarter, and (where applicable) statements and explanations that no samples were collected or no samples were collected within the first 30 minutes of discharge from a qualifying storm event.
11. Standex's compliance with the sampling, testing, reporting and benchmark exceedance response requirements as provided herein shall be deemed satisfactory for meeting the sampling, testing, reporting and benchmark exceedance requirements under Industrial Storm Water VPDES General Permit ("VAR05") Parts I, II.A, and II.C, IV.C for the parameters listed in Appendix B while governed by this Order. This Order shall not be construed to relieve Standex of any other requirements of the VAR05.
12. At any time, Standex may elect to apply for VPDES Individual Permit for its stormwater discharges.
13. If Standex is unable to achieve 12 consecutive sampling events showing no exceedences of any benchmark (as defined in Appendix B, Item 2) within 4 years of the date that this

Order is executed by DEQ, DEQ may direct or Standex may elect that Standex seek a VPDES Individual Permit for its stormwater by written notice to the other. Standex shall submit a complete individual VPDES Individual Permit application for its storm water discharges associated with industrial activity **no later than 90 days after the receipt of or providing notice pursuant to this Item 13**. Standex shall respond to any requests for additional information or deficiency notices from DEQ, with respect to the sufficiency of the application, in accordance with the terms of each notice.

14. All required information shall be submitted to:

Allison Dunaway
Regional Enforcement Manager
VA DEQ – PRO
4949-A Cox Rd.
Glen Allen, VA 23060

Curtis J. Linderman
Water Permits Manager
VA DEQ - PRO
4949-A Cox Rd.
Glen Allen, VA 23060

APPENDIX B BENCHMARKS

1. Stormwater samples collected in accordance with Appendix A shall be analyzed using DEQ-approved methodology for the following parameters:

Aluminum, total recoverable (ug/L)
Arsenic, dissolved (ug/L)
Cadmium, dissolved (ug/L)
Chromium-III, dissolved (ug/L)
Chromium-VI, dissolved (ug/L)
Copper, dissolved (ug/L)
Iron, total recoverable (ug/L)
Lead, dissolved (ug/L)
Silver, dissolved (ug/L)
Zinc, total recoverable (ug/L)
Zinc, dissolved (ug/L)
Hardness, as calcium carbonate (CaCO₃) (mg/L)
pH (Standard Units)
2. Benchmarks for these parameters shall be defined as the following:
 - a. Aluminum, iron, and total recoverable zinc: the benchmark monitoring cut-off concentrations for fabricated metal products facilities (Sector AA) as found in 9 VAC 25-151;
 - b. Arsenic and chromium VI: twice the freshwater acute criterion as found in 9 VAC 25-260-140;
 - c. Cadmium, chromium III, copper, lead, silver, and dissolved zinc: twice the freshwater acute criterion as calculated for each individual sample using the formulae found in 9 VAC 25-260-140 and the sample hardness value collected on the same sample day. If the hardness value is less than 25 mg/L, then 25 mg/L shall be used in the acute criterion calculation; if the hardness value is greater than 400 mg/L, then 400 mg/L shall be used in the calculation.
 - d. pH: numerical criteria for Class III waters as found in 9 VAC 25-260-50.
3. Standex agrees that calculation of the benchmarks shall utilize the criteria at 9 VAC 25-260-140 and monitoring cut-off concentrations at 9 VAC 25-151 that are in effect at the time that the samples are analyzed.
4. Standex agrees that the absence of PCB benchmarks or monitoring criteria in this Order does not preclude DEQ from requiring PCB monitoring under the Total Maximum Daily Load Program or any other applicable program not addressed under this Order.